

**FORM DEQ 50-11S****RECYCLING MACHINERY AND EQUIPMENT CERTIFICATION
FOR STATE INCOME TAX CREDIT**

(Refer to the Form Instructions and Guidance for the Certification of
Recycling Machinery and Equipment)

PART I:

Name(s) as shown on Virginia Tax return:				
Tax ID:	Status:	<input type="checkbox"/> Individual	<input type="checkbox"/> "C" Corporation	<input type="checkbox"/> "Pass-through" Corporation
Equipment is: <input type="checkbox"/> Owned <input type="checkbox"/> Leased (see instructions)				
Street:				
City, State, Zip Code:				

PART II:

Name of manufacturing facilities, plant units, or advanced recycling facilities where machinery and equipment will be located (see instructions):		
Street:		
City, State, Zip Code:		
Contact Name:	Email:	Phone:

PART III: Detailed description of machinery and equipment and its intended use

<u>Attach the following documentation:</u> <ul style="list-style-type: none">1. A description of the manufacturing/advanced recycling process at the site.2. A list of equipment to be certified (brand/model, purchase/installation date, and use at the manufacturing/advanced recycling facility).3. The recycling process (information to include the identification of waste material being processed on-site and the processing equipment's role in the recycling process).4. The product (with tangible value for sale) resulting from the recycling process.5. Proof of purchase for each piece of equipment.6. Schematics and/or drawings and brochures as appropriate.		
I certify that the above information is true, correct and complete and that the machinery and equipment identified is to be used primarily for the processing of recyclable materials as defined in §58.1-439.7 of the Code of Virginia.		
_____ Name of Taxpayer and Title	_____ Signature of Taxpayer	_____ Date

[Agency Use Only]

The Department of Environmental Quality's certification of machinery and equipment, based on the information provided by the applicant, is contained on the attached Equipment List referencing Application Number _____.

INSTRUCTIONS FORM DEQ 50-11S

GENERAL:

For taxable years beginning on and after January 1, 1999, but before January 1, 2025, a taxpayer shall be allowed a credit against the tax imposed pursuant to Articles 2 (§ 58.1-320 et seq.) and 10 (§ 58.1-400 et seq.) of Chapter 3 of this title, in an amount equal to 20 percent of the purchase price paid during the taxable year for **(i) machinery and equipment used predominantly in or on the premises of manufacturing facilities or plant units which manufacture, process, compound, or produce items of tangible personal property from recyclable materials, within the Commonwealth, for sale and (ii) machinery and equipment used predominantly in or on the premises of facilities that are predominantly engaged in advanced recycling.** For purposes of determining "purchase price paid" under this section, the taxpayer may use the original total capitalized cost of such machinery and equipment, less capitalized interest. For purposes of this section, "advanced recycling" means the operation of a single-stream or multi-stream recycling plant that converts waste materials into new materials for resale by processing them and breaking them down into their raw constituents. "Advanced recycling" includes the operation of a materials recovery facility or materials reclamation facility that receives, separates, and prepares recyclable materials for sale to end-user manufacturers. The credit is an amount equal to twenty percent of the purchase price paid during the taxable year, but shall not exceed forty percent of the Virginia income tax liability of such taxpayer under § 58.1-439.7 of the Code of Virginia. This is a nonrefundable credit, however, if the allowable credit exceeds the Virginia tax liability for the taxable year in which the purchase price on recycling machinery and equipment was paid, it may be carried over for credit against the corporation's income taxes in the ten succeeding taxable years until the total credit is used (Code of Virginia § 58.1-439.7).

The machinery and equipment must be certified by the Department of Environmental Quality (DEQ) as integral to the recycling process in accordance with § 58.1-439.7 of the Code of Virginia. Refer to the **Guidance for the Certification of Recycling Machinery and Equipment for State Income Tax Credit** available on the DEQ website. DEQ's certification of the submitted list of equipment does not automatically guarantee that all the requirements have been met for the allowance of a tax credit on a Virginia income tax return. Please contact the Virginia Department of Taxation to determine eligibility for a tax credit.

The Department of Environmental Quality has developed this form to assist persons applying for the machinery and equipment certification, and to expedite the certification process. However, you are not required to use this form to apply for certification.

LOCAL TAX OPTION:

Once certified, the machinery and equipment may also qualify for a local tax exemption based on current value assessment by taxing authority. Contact your local governing body for information.

PART I:

Enter the name, address, and tax ID, of the individual or corporation as it appears on the Virginia income tax return. Identify whether it is an individual, C-corporation, or a pass-through corporation. Identify whether the equipment is owned or leased.

PART II:

Enter the name and physical address of the manufacturing or advanced recycling facility where the machinery and equipment are located. Attach the following documentation:

1. A description of the manufacturing/advanced recycling process at the site.
2. A list of equipment to be certified (brand/model, purchase/installation date, and use at the manufacturing/advanced recycling facility).
3. The recycling process (information to include the identification of waste material being processed on-site and the role of the processing equipment in the recycling process).
4. The product (with tangible value for sale) resulting from the recycling process.
5. Proof of purchase for each piece of equipment.
6. Schematics and/or drawings and brochures as appropriate.

SUBMISSION:

Mail the completed and signed form along with supporting documentation to the address below:

Department of Environmental Quality
Division of Land Protection and Revitalization
Attention: Recycling Machinery and Equipment Certification Officer
P.O. Box 1105
Richmond, VA 23218

For assistance with the certification, call the Department of Environmental Quality at 804-698-4145.

Upon certification, the form and attachments will be returned to you. In order to qualify for a state income tax credit, the form (or other certification document) along with documentary proof of the purchase price paid (original cost plus other capitalized costs incurred to put the machinery or equipment in service, but not including capitalized interest), will need to be attached to your Virginia income tax return when filed with the Department of Taxation. For assistance on Taxation matters call 804-225-4265.

The Department of Environmental Quality's certification of the attached list of equipment does not automatically guarantee that all the requirements have been met for the allowance of a tax credit on a Virginia income tax return. Please contact the Virginia Department of Taxation to determine eligibility for a tax credit.